

right-of-way granted under section 4 shall be located within—

(1) sections 2, 3, 10, and 11 of T 59 S, R 86 W, Seward Meridian, Alaska;

(2) sections 27, 28, 29, 30, 31, 32, 33, 34, and 35 of T 59 S, R 86 W, Seward Meridian, Alaska;

(3) sections 3, 4, 9, 10, 13, 14, 15, 16, 23, 24, 25, 26, and 36 of T 58 S, R 87 W, Seward Meridian, Alaska;

(4) sections 5, 6, 7, 8, 9, 16, 17, 20, 21, 27, 28, 29, 32, 33, and 34 of T 57 S, R 87 W, Seward Meridian, Alaska;

(5) sections 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 35, and 36 of T 56 S, R 87 W, Seward Meridian, Alaska;

(6) sections 23, 24, 25, 26, 27, 34, 35, and 36 of T 56 S, R 88 W, Seward Meridian, Alaska;

(7) section 6 of T 57 S, R 88 W, Seward Meridian, Alaska; and

(8) sections 1, 2, 11, and 12 of T 57 S, R 89 W, Seward Meridian, Alaska.

#### SEC. 8. TECHNICAL AMENDMENTS.

The following provisions of law shall not be applicable to any right-of-way granted under section 4 of this Act or to any road constructed on such right-of-way—

(1) section 22(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1621(g));

(2) title XI of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3161 et seq.), except as specified in this section; and

(3) section 303(c) of title 49, United States Code.

#### SEC. 9. JOINT PLAN.

The Secretary and the Aleutians East Borough shall jointly prepare a plan setting forth—

(1) the times of the year a road may reasonably be constructed when there are not high concentrations of migratory birds in Kinzarof Lagoon; and

(2) limitations on nonemergency road traffic during periods of the year when there are high concentrations of migratory birds in Kinzarof Lagoon.

#### SEC. 10. TRANSFER.

If within 24 months of the date the King Cove Corporation offers to transfer to the United States all right, title, and interest of the Corporation lands set forth in section 4 of this Act, the Secretary and the Aleutians East Borough fail to mutually agree on the following—

(1) a final land exchange and a grant of a right-of-way pursuant to section 4; and

(2) the right-of-way specifications, and terms and conditions of use set forth in sections 5, 6, 7 and 8 of this Act;

then the Aleutians East Borough shall have the right to select a 60 foot right-of-way for the construction, operation, and maintenance of certain utility-related fixtures and of a public road from lands described in section 7 of this Act, and to identify logistical staging areas and construction material sites within the right-of-way. If an agreement is not reached within 6 months after the Aleutians East Borough notifies the Secretary of its selection, then the right-of-way is hereby granted to the Borough.

Mr. MURKOWSKI. I move to reconsider the vote.

Mr. MCCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I wish to take this opportunity to thank some of my staff who worked on the bill. On behalf of Senator STEVENS and myself, we would like to thank the various staff who worked so hard on the King Cove bill. Brian Malnak of my staff—particularly the Energy and Natural Resources Committee—Jo Meuse,

David Dye, Gary Ellsworth, who is unfortunately retiring this year and will be greatly missed, and a number of others.

And let me thank my colleagues in the debate: Senator BUMPERS, the ranking member of the Energy and Natural Resources Committee, who is retiring this year; Senator BAUCUS from Montana; and let me again thank the Members for the vote of confidence in support of fairness. The vote was 59–38. I am sure that will send a strong message over to the House on the merits of addressing the needs of the Aleut people of King Cove who seek what we enjoy every day—and that is access.

I thank my colleagues and thank the Presiding Officer. I wish you all well.

#### INTERNET TAX FREEDOM ACT

Mr. MCCAIN. Mr. President, under the provisions of the consent agreement of September 30, 1998, I now ask the Chair to lay before the Senate S. 442, the Internet tax freedom bill.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will report.

The legislative clerk read as follows:

A bill (S. 442) to establish national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over the interstate commerce by establishing a moratorium on the imposition of exaction that would interfere with the free flow of commerce via the Internet, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 442

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

[This Act may be cited as the "Internet Tax Freedom Act".]

#### SEC. 2. FINDINGS.

[The Congress finds the following:

(1) As a massive global network spanning not only State but international borders, the Internet and the related provision of online services and Internet access service are inherently a matter of interstate and foreign commerce within the jurisdiction of the United States Congress under Article I, section 8, clause 3 of the United States Constitution.

(2) Even within the United States, the Internet does not respect State lines and operates independently of State boundaries. Addresses on the Internet are designed to be geographically indifferent. Internet transmissions are insensitive to physical distance and can have multiple geographical addresses.

(3) Because transmissions over the Internet are made using computer protocols, in particular the Transmission Control Protocol / Internet Protocol, that utilize packet-switching technology it is impossible to determine in advance the precise geographic route individual Internet transmissions will travel over, and it is therefore infeasible to separate domestic intrastate Internet transmissions from interstate and foreign Internet transmissions.

(4) Consumers, businesses, and others engaging in interstate and foreign commerce

through online services and Internet access service could become subject to more than 30,000 separate taxing jurisdictions in the United States alone.

(5) Inconsistent and inadministerable taxes imposed on online services and Internet access service by State and local governments threaten to—

(A) subject consumers, businesses, and other users engaged in interstate and foreign commerce to multiple, confusing, and burdensome taxation,

(B) restrict the growth and continued technological maturation of the Internet itself, and

(C) call into question the continued viability of this dynamic medium.

(6) Because the tax laws and regulations of so many jurisdictions were established long before the advent of the Internet, online services, and Internet access service, their application to this new medium and services in unintended and unpredictable ways could prove to be an unacceptable burden on the interstate and foreign commerce of the Nation.

(7) The electronic marketplace of services, products, and ideas available through the Internet can be especially beneficial to senior citizens, the physically challenged, citizens in rural areas, and small businesses. It also offers a variety of uses and benefits for educational institutions and charitable organizations.

(8) A consistent and coherent national policy regarding taxation of online services, Internet access service, and communications and transactions using the Internet, and the concomitant uniformity, simplicity, and fairness that is needed to avoid burdening this evolving form of interstate and foreign commerce, can best be achieved by the United States exercising its authority under Article I, section 8, clause 3 of the United States Constitution.

#### SEC. 3. MORATORIUM ON IMPOSITION OF TAXES ON THE INTERNET, ONLINE SERVICES, OR INTERNET ACCESS SERVICE.

(a) MORATORIUM.—Except as otherwise provided in this Act, prior to January 1, 2004, no State or political subdivision thereof may impose, assess, or attempt to collect any tax on—

(1) communications or transactions using the Internet; and

(2) online services or Internet access service.

(b) PRESERVATION OF STATE AND LOCAL TAXING AUTHORITY.—Subsection (a) shall not—

(1) affect the authority of a State, or a political subdivision thereof, to impose a sales, use, or other transaction tax on online services, Internet access service, or communications or transactions using the Internet if—

(A) the tax (including the rate at which it is imposed) is the same as the tax generally imposed and collected by that State or political subdivision thereof in the case of similar sales, use, or transactions not using the Internet, online services, or Internet access service; and

(B) the obligation to collect or pay the tax from sales or other transactions using the Internet, online services, or Internet access service is imposed on the same person or entity as in the case of similar sales, use, or transactions not using the Internet, online services, or Internet access service;

(2) apply to taxes imposed on or measured by gross or net income derived from online services, Internet access service, or communications or transactions using the Internet, or on value added, net worth, or capital stock;

(3) apply to fairly apportioned business license taxes;

(4) apply to taxes paid by a provider or user of online services or Internet access service as a consumer of goods and services

not otherwise excluded from taxation pursuant to this Act;

[(5) apply to property taxes imposed or assessed on property owned or leased by a provider or user of online services or Internet access service;

[(6) apply to taxes imposed on or collected by a common carrier, as defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153), acting in its capacity as a common carrier;

[(7) apply to taxes imposed on or collected by a provider of telecommunications service, as that term is defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153); or

[(8) apply to franchise fees imposed by a State or local franchising authority, pursuant to sections 622 or 653 of the Communications Act of 1934 (47 U.S.C. 622 or 573), for the provision of cable services, as those terms are defined by such Act.

#### **[SEC. 4. ADMINISTRATION POLICY RECOMMENDATIONS TO CONGRESS.]**

[(a) CONSULTATIVE GROUP.—The Secretaries of the Treasury, Commerce, and State, in consultation with appropriate committees of the Congress, the National Tax Association-sponsored Joint Communications and Electronic Commerce Tax Project and the National Conference of Commissioners of Uniform State Laws, consumer and business groups, States and political subdivisions thereof, and other appropriate groups, shall—

[(1) undertake an examination of United States domestic and international taxation of—

[(A) communications and transactions using the Internet,

[(B) online services and Internet access service, and

[(C) the telecommunications infrastructure used by the Internet, online services, and Internet access service;

[(2) consider any specific proposals made by the Joint Communications and Electronic Commerce Tax Project and the National Conference of Commissioners of Uniform State Laws concerning appropriate parameters for taxation by States, and political subdivisions thereof, of matters described in paragraph (1); and

[(3) jointly submit appropriate policy recommendations concerning United States domestic and foreign policies toward taxation of online services, Internet access service, and communications and transactions using the Internet, if any, to the President within 18 months after the date of enactment of this Act.

[(b) PRESIDENT.—Not later than 2 years after the date of enactment of this Act, the President shall, to the extent and in the form the President deems appropriate, transmit to the appropriate committees of Congress policy recommendations on taxation of online services, Internet access service, and communications and transactions using the Internet.

#### **[SEC. 5. DECLARATION THAT THE INTERNET SHOULD BE FREE OF FOREIGN TARIFFS, TRADE BARRIERS, AND OTHER RESTRICTIONS.]**

[(It is the sense of the Congress that the President should seek bilateral and multilateral agreements through the World Trade Organization, the Organization for Economic Cooperation and Development, the Asia Pacific Economic Cooperation Council, and other appropriate international fora to establish that commercial transactions using the Internet are free from tariff and taxation.)

#### **[SEC. 6. DEFINITIONS.]**

[(For the purposes of this Act—

[(1) INTERNET.—The term “Internet” means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide net-

work of networks that employ the Transmission Control Protocol / Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

[(2) ONLINE SERVICES.—The term “online services” means the offering or provision of information, information processing, and products or services to a user as part of a package of services that are combined with Internet access service and offered to the user for a single price.

[(3) INTERNET ACCESS SERVICE.—The term “Internet access service” means the offering or provision of the storage, computer processing, and transmission of information that enables the user to make use of resources found via the Internet.

[(4) TAX.—The term “tax” includes any charge imposed by legislative authority to raise revenue for the needs of the public, as well as any license or fee that is imposed by any governmental entity. Such term also includes the imposition on the seller of an obligation to collect and remit to a governmental entity any charge (as defined in the preceding sentence), license, or fee imposed on the buyer by a governmental entity.]

#### **SECTION 1. SHORT TITLE.**

This Act may be cited as the “Internet Tax Freedom Act”.

### **TITLE I—MORATORIUM ON CERTAIN TAXES**

#### **SEC. 101. MORATORIUM.**

(a) MORATORIUM.—No State or political subdivision thereof shall impose any of the following taxes on transactions occurring during the period beginning on July 29, 1998, and ending 2 years after the date of the enactment of this Act:

(1) Taxes on Internet access.

(2) Bit taxes.

(3) Multiple or discriminatory taxes on electronic commerce.

(b) APPLICATION OF MORATORIUM.—Subsection (a) shall not apply with respect to the provision of Internet access that is offered for sale as part of a package of services that includes services other than Internet access, unless the service provider separately states that portion of the billing that applies to such services on the user's bill.

#### **SEC. 102. ADVISORY COMMISSION ON ELECTRONIC COMMERCE.**

(a) ESTABLISHMENT OF COMMISSION.—There is established a commission to be known as the Advisory Commission on Electronic Commerce (in this title referred to as the “Commission”). The Commission shall—

(1) be composed of 16 members appointed in accordance with subsection (b), including the chairperson who shall be selected by the members of the Commission from among themselves; and

(2) conduct its business in accordance with the provisions of this title.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commissioners shall serve for the life of the Commission. The membership of the Commission shall be as follows:

(A) Four representatives from the Federal Government comprised of the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative, or their respective representatives.

(B) Six representatives from State and local governments comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(C) Six representatives of the electronic industry and consumer groups comprised of—

(i) two representatives appointed by the Majority Leader of the Senate;

(ii) one representative appointed by the Minority Leader of the Senate;

(iii) two representatives appointed by the Speaker of the House of Representatives; and

(iv) one representative appointed by the Minority Leader of the House of Representatives.

(2) APPOINTMENTS.—Appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act. The chairperson shall be selected not later than 60 days after the date of the enactment of this Act.

(3) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) ACCEPTANCE OF GIFTS AND GRANTS.—The Commission may accept, use, and dispose of gifts or grants of services or property, both real and personal, for purposes of aiding or facilitating the work of the Commission. Gifts or grants not used at the expiration of the Commission shall be returned to the donor or grantor.

(d) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, data, and other information from the Department of Justice, the Department of Commerce, the Department of State, the Department of the Treasury, and the Office of the United States Trade Representative. The Commission shall also have reasonable access to use the facilities of any such Department or Office for purposes of conducting meetings.

(e) SUNSET.—The Commission shall terminate 18 months after the date of the enactment of this Act.

(f) RULES OF THE COMMISSION.—

(1) QUORUM.—Nine members of the Commission shall constitute a quorum for conducting the business of the Commission.

(2) MEETINGS.—Any meetings held by the Commission shall be duly noticed at least 14 days in advance and shall be open to the public.

(3) OPPORTUNITIES TO TESTIFY.—The Commission shall provide opportunities for representatives of the general public, taxpayer groups, consumer groups, and State and local government officials to testify.

(4) ADDITIONAL RULES.—The Commission may adopt other rules as needed.

(g) DUTIES OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall conduct a thorough study of Federal, State and local, and international taxation and tariff treatment of transactions using the Internet and Internet access and other comparable interstate or international sales activities.

(2) ISSUES TO BE STUDIED.—The Commission may include in the study under subsection (a)—

(A) an examination of—

(i) barriers imposed in foreign markets on United States providers of property, goods, services, or information engaged in electronic commerce and on United States providers of telecommunications services; and

(ii) how the imposition of such barriers will affect United States consumers, the competitiveness of United States citizens providing property, goods, services, or information in foreign markets, and the growth and maturing of the Internet;

(B) an examination of the collection and administration of consumption taxes on interstate commerce in other countries and the United States, and the impact of such collection on the global economy, including an examination of the relationship between the collection and administration of such taxes when the transaction uses the Internet and when it does not;

(C) an examination of the impact of the Internet and Internet access (particularly voice transmission) on the revenue base for taxes imposed under section 4251 of the Internal Revenue Code of 1986;

(D) an examination of—

(i) the efforts of State and local governments to collect sales and use taxes owed on purchases from interstate sellers, the advantages and disadvantages of authorizing State and local governments to require such sellers to collect and remit such taxes, particularly with respect to electronic commerce, and the level of contacts sufficient to permit a State or local government

to impose such taxes on such interstate commerce;

(ii) model State legislation relating to taxation of transactions using the Internet and Internet access, including uniform terminology, definitions of the transactions, services, and other activities that may be subject to State and local taxation, procedural structures and mechanisms applicable to such taxation, and a mechanism for the resolution of disputes between States regarding matters of multiple taxation; and

(iii) ways to simplify the interstate administration of sales and use taxes on interstate commerce, including a review of the need for a single or uniform tax registration, single or uniform tax returns, simplified remittance requirements, simplified administrative procedures, or the need for an independent third party collection system; and

(E) the examination of ways to simplify Federal and State and local taxes imposed on the provision of telecommunications services.

#### SEC. 103. REPORT.

Not later than 18 months after the date of the enactment of this Act, the Commission shall transmit to Congress a report reflecting the results of the Commission's study under this title. No finding or recommendation shall be included in the report unless agreed to by at least two-thirds of the members of the Commission serving at the time the finding or recommendation is made.

#### SEC. 104. DEFINITIONS.

For the purposes of this title:

(1) **BIT TAX.**—The term "bit tax" means any tax on electronic commerce expressly imposed on or measured by the volume of digital information transmitted electronically, or the volume of digital information per unit of time transmitted electronically, but does not include taxes imposed on the provision of telecommunications services.

(2) **DISCRIMINATORY TAX.**—The term "discriminatory tax" means any tax imposed by a State or political subdivision thereof on electronic commerce that—

(A) is not generally imposed and legally collectible by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means;

(B) is not generally imposed and legally collectible at the same rate by such State or such political subdivision on transactions involving the same or similar property, goods, services, or information accomplished through other means, unless the rate is lower as part of a phase-out of the tax over not more than a 5-year period; or

(C) imposes an obligation to collect or pay the tax on a different person or entity than in the case of transactions involving the same or similar property, goods, services, or information accomplished through other means.

(3) **ELECTRONIC COMMERCE.**—The term "electronic commerce" means any transaction conducted over the Internet or through Internet access, comprising the sale, lease, license, offer, or delivery of property, goods, services, or information, whether or not for consideration, and includes the provision of Internet access.

(4) **INTERNET.**—The term "Internet" means the combination of computer facilities and electromagnetic transmission media, and related equipment and software, comprising the interconnected worldwide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocol, to transmit information.

(5) **INTERNET ACCESS.**—The term "Internet access" means a service that enables users to access content, information, electronic mail, or other services offered over the Internet, and may also include access to proprietary content, information, and other services as part of a package of services offered to consumers. Such term does not include telecommunications services.

(6) **MULTIPLE TAX.**—

(A) **IN GENERAL.**—The term "multiple tax" means any tax that is imposed by one State or political subdivision thereof on the same or essentially the same electronic commerce that is also subject to another tax imposed by another State or political subdivision thereof (whether or not at the same rate or on the same basis), without a credit (for example, a resale exemption certificate) for taxes paid in other jurisdictions.

(B) **EXCEPTION.**—Such term shall not include a sales or use tax imposed by a State and 1 or more political subdivisions thereof on the same electronic commerce or a tax on persons engaged in electronic commerce which also may have been subject to a sales or use tax thereon.

(C) **SALES OR USE TAX.**—For purposes of subparagraph (B), the term "sales or use tax" means a tax that is imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property or services as may be defined by laws imposing such tax and which is measured by the amount of the sales price or other charge for such property or service.

(7) **STATE.**—The term "State" means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States.

(8) **TAX.**—

(A) **IN GENERAL.**—The term "tax" means—

(i) any levy, fee, or charge imposed under governmental authority by any governmental entity; or

(ii) the imposition of or obligation to collect and to remit to a governmental entity any such levy, fee, or charge imposed by a governmental entity.

(B) **EXCEPTION.**—Such term shall not include any franchise fees or similar fees imposed by a State or local franchising authority, pursuant to section 622 or 653 of the Communications Act of 1934 (47 U.S.C. 542, 573).

(9) **TELECOMMUNICATIONS SERVICES.**—The term "telecommunications services" has the meaning given such term in section 3(46) of the Communications Act of 1934 (47 U.S.C. 153(46)) and includes communications services (as defined in section 4251 of the Internal Revenue Code of 1986).

### TITLE II—OTHER PROVISIONS

#### SEC. 201. DECLARATION THAT INTERNET SHOULD BE FREE OF NEW FEDERAL TAXES.

It is the sense of Congress that no new Federal taxes similar to the taxes described in section 101(a) should be enacted with respect to the Internet and Internet access during the moratorium provided in such section.

#### SEC. 202. NATIONAL TRADE ESTIMATE.

Section 181 of the Trade Act of 1974 (19 U.S.C. 2241) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A)—

(i) by striking "and" at the end of clause (i);

(ii) by inserting "and" at the end of clause (ii); and

(iii) by inserting after clause (ii) the following new clause:

"(iii) United States electronic commerce,";

and

(B) in subparagraph (C)—

(i) by striking "and" at the end of clause (i);

(ii) by inserting "and" at the end of clause (ii);

(iii) by inserting after clause (ii) the following new clause:

"(iii) the value of additional United States electronic commerce,"; and

(iv) by inserting "or transacted with," after "or invested in";

(2) in subsection (a)(2)(E)—

(A) by striking "and" at the end of clause (i);

(B) by inserting "and" at the end of clause (ii); and

(C) by inserting after clause (ii) the following new clause:

"(iii) the value of electronic commerce transacted with,"; and

(3) by adding at the end the following new subsection:

"(d) **ELECTRONIC COMMERCE.**—For purposes of this section, the term 'electronic commerce' has the meaning given that term in section 104(3) of the Internet Tax Freedom Act."

#### SEC. 203. DECLARATION THAT THE INTERNET SHOULD BE FREE OF FOREIGN TARIFFS, TRADE BARRIERS, AND OTHER RESTRICTIONS.

(a) **IN GENERAL.**—It is the sense of Congress that the President should seek bilateral, regional, and multilateral agreements to remove barriers to global electronic commerce through the World Trade Organization, the Organization for Economic Cooperation and Development, the Trans-Atlantic Economic Partnership, the Asia Pacific Economic Cooperation forum, the Free Trade Area of the Americas, the North American Free Trade Agreement, and other appropriate venues.

(b) **NEGOTIATING OBJECTIVES.**—The negotiating objectives of the United States shall be—

(1) to assure that electronic commerce is free from—

(A) tariff and nontariff barriers;

(B) burdensome and discriminatory regulation and standards; and

(C) discriminatory taxation; and

(2) to accelerate the growth of electronic commerce by expanding market access opportunities for—

(A) the development of telecommunications infrastructure;

(B) the procurement of telecommunications equipment;

(C) the provision of Internet access and telecommunications services; and

(D) the exchange of goods, services, and digital information.

(c) **ELECTRONIC COMMERCE.**—For purposes of this section, the term "electronic commerce" has the meaning given that term in section 104(3).

#### SEC. 204. NO EXPANSION OF TAX AUTHORITY.

Nothing in this Act shall be construed to expand the duty of any person to collect or pay taxes beyond that which existed immediately before the date of the enactment of this Act.

#### SEC. 205. PRESERVATION OF AUTHORITY.

Nothing in this Act shall limit or otherwise affect the implementation of the Telecommunications Act of 1996 (Public Law 104-104) or the amendments made by such Act.

(Under the order of September 30, 1998, the Commerce Committee amendment and the Finance Committee amendment were agreed to.)

Mr. MCCAIN. For the information of all Senators, several amendments are expected to be offered and debated tomorrow to this vital piece of legislation. Therefore, all Members should be aware that votes can be expected to occur on Friday.

Mr. President, tomorrow morning we will start out with a Bumpers amendment which he will be prepared to propound shortly after we convene in the morning. And we expect a couple of other amendments besides that. Also, it is the intention of the leader to file cloture tomorrow morning, as well, on this legislation since we only have a few days remaining in the session.

We have been working with Senator DORGAN and with Senator GRAHAM of Florida to try to resolve the remaining issues, and with Senator JUDD GREGG of New Hampshire. I am hopeful that we can reach agreement which would then allow us to move forward quickly and resolve this very important piece of legislation.

I yield the floor.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Utah, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mrs. HUTCHISON. On behalf of the leader, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PATIENTS' BILL OF RIGHTS

Mr. KENNEDY. Mr. President, the matter that I want to address, again, is the issue of the Patients' Bill of Rights. It is time for our Republican leadership to stop the blocking of the Patients' Bill of Rights. It is time for them to stop protecting the insurance company profits and start protecting the parties. It is time for them to stop manipulating the rules of the Senate to deny the American people the protections they deserve.

It is clear what is going on here. It is clear to every Member of the Senate. It should be clear to the American people. The American people want Congress to pass strong, effective legislation to end the abuse by HMOs, the managed care plans, and the health insurance companies.

The Patients' Bill of Rights, sponsored by Senator DASCHLE and Senate Democrats, provides the needed and long overdue antidote to the festering and growing abuses. Our goal is to protect patients and see that insurance plans provide the quality care they promise but too often fail to deliver.

Two hundred groups of patients, doctors, nurses, and families have announced support for our bill and are begging the Republican leadership to listen to their voices. I have the list of the various groups supporting our legislation. They represent virtually all of the major doctor and nurse organizations and consumer groups, starting with the American Medical Association, the various cancer societies, the National Breast Cancer Coalition, and all of the American nursing associations. The supporters also include those groups that are most interested in the health care of children including the Children's Defense Fund and the American Academy of Pediatrics. These groups also represent our senior citizens including the National Council of Senior Citizens. The bill is also supported by groups that are most interested in mental health, the Mental Health Association, and those groups

most concerned about disability policies including the Multiple Sclerosis Society, United Cerebral Palsy, the American Academy of Neurology, and the Center on Disability and Health.

This, Mr. President, is only one page of a series of pages of different groups where it can be said, without contradiction, that every major medical association in our country supports the Daschle proposal which is sponsored by the Democrats. Virtually every single doctors organization, every single nurses organization, every single consumer organization, every organization that has represented children in our society, every association that represents cancer victims, every association that represents the disability community—every one of those organizations, plus many others, support our particular proposal. There is not one organization, not a single organization, that supports the alternative Republican proposal. We have asked day in and day out for them just to find one organization representing any of the doctors or nurses, children's groups, women's groups, cancer victims groups, disability groups, any of those groups in our society, and all we have is silence.

This isn't a matter that we are advocating because of our particular interest. We are advocating on behalf of all of these organizations and all of the various patients and all of the various families that are part of this central concern about how we best can protect the families in this country. The best way those families can be protected is, at least, through debate on a Patients' Bill of Rights and, I believe, by the enactment of this legislation.

As we have said on many different occasions, these are commonsense solutions to the kind of problems that are real problems out there and that are being faced by families every single day. If a child is sick and the parents of that child belong to one HMO, that ambulance has to drive by the nearest emergency room and go to an emergency room across town because it is on the list of that HMO. When that child is in an emergency situation, they ought to be able to go to the nearest hospital—that is one of our bills' protections. It is listed right here. We believe that child ought to have the opportunity to go to the nearest emergency room and have the kind of immediate attention, but also the follow-up attention that they need.

That right would be guaranteed under our Patients' Bill of Rights. We want to debate that issue. That is a commonsense proposal. It is a commonsense proposal that any family can understand. If there is going to be an emergency affecting a child, it makes no sense to drive them by the nearest emergency room and take them clear across town to a more distant emergency room if that child needs immediate medical attention.

That is common sense. That protection is here. We ought to be able to debate that particular issue, but we are

denied that opportunity. We ought to be able to get to it. I believe it wouldn't take a great deal of time.

The list goes on. Our bill was introduced in March. But, the Senate has taken no action because the Republican leadership has been using every trick in the procedural playbook to prevent a meaningful debate. The Republican leadership is abusing the rules of the Senate so that the health insurance companies can continue to abuse patients. That happens to be the fact.

We have too many instances of reports from patients that say, every single day we fail to provide these guarantees, members of their family are put at risk. Every day we continue to deny women who have breast cancer the opportunity to be involved in clinical trials at places like the Lombardi Center, we are putting those particular women at risk.

As I mentioned yesterday, out at the Lombardi Center they have eight professional individuals whose only job is to argue with the HMOs to permit the parties involved, access to the clinical trials their doctors say are necessary but that the HMO will not permit them access to.

Our bill provides these kinds of protections. It is common sense. Without these kinds of protections, we are endangering the lives of those individuals who ought to be a part of the clinical trials. That is a very important protection.

Every day, we are denied that kind of debate and resolution, but we still find that patients are abused by too many of the HMOs. The Republican leadership wants to gag the Senate so that HMOs can continue to gag the doctors who tell patients about needed treatments that are too expensive for the HMO balance sheet.

I use those words "gag the Senate" because all we have had on the other side is the proposal that you can have one, two, or three amendments but no other. You can't have any others. We are not going to take the time of the U.S. Senate to do it, although we did find time to have a debate on the issue of salting; we had time to debate that issue. We had time to debate the issues on the Vacancies Act. We have had time to debate issues like bankruptcy which affects 1.2 million people. But our patient protections bill, which affects tens of millions of our fellow citizens, we evidently, haven't got the time to debate that.

The Republican leadership wants to deny a fair debate on the Patients' Bill of Rights so HMOs can continue to deny the needed patient care. The Republican leadership wants to avoid accountability in the U.S. Senate so that managed care plans can avoid accountability with their unfair decisions, when their unfair decisions kill or injure patients. The Republican leadership has found time to call up the Vacancy Act, the salting bill, the Child Custody Act, the Bankruptcy Act, and the Internet tax bill. So it is clear that